

Memorandum

TO: HONORABLE MAYOR AND

CITY COUNCIL

FROM: Albert Balagso

Paul Krutko

SUBJECT: GUADALUPE RIVER PARK

AND GARDENS EVENT USAGE

DATE: May 26, 2006

Approved /s/ Date 05/26/06

COUNCIL DISTRICT: City-Wide

BACKGROUND

On May 10, 2006, as part of the City Council Budget Study Session for 2006-2007, a question was raised about expanding event usage of Guadalupe River Park and Gardens, including the potential of relocating existing events into the park, particularly the newer section that opened in September 2005.

ANALYSIS

Special events in the Guadalupe River Park and Gardens (GRPG) have increased significantly over the last several years. In 2000, the GRPG hosted 25 special events, compared to 64 events in 2005, a 156% increase. It is anticipated that over the next few seasons, special events in the GRPG will increase to 100 events annually. Some of the newer events held or recently scheduled within the GRPG include the San Jose Grand Prix, ISEA 2006/Zero One, the Music Matrix and the Rock and Roll Marathon. These four events alone are expected to host 290,000 visitors. In addition to these large events, GRPG sites have added newer local users, such as the Hotel Olympics and Adobe Systems corporate events.

With the recent expansion of the GRPG completed in September 2005, a new large scale event venue is now available near the HP Pavilion. This new event venue was designed to host over 20,000 festival attendees; when combined with the existing adjacent Arena Green site, the area can accommodate up to 40,000 festival attendees – making it the largest City park event venue.

Special events in San Jose are primarily permitted by Parks, Recreation and Neighborhood Services (PRNS) and the Office of Cultural Affairs (OCA). As event producers seek information on conducting events, City staff of both departments work together to advise applicants of available event venues, the amenities and facilities offered by each venue, and the potential cost structure of the various venues. While no specific campaign has been created to seek events for

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the GRPG, information on potential use of the site is incorporated into event development. The goal is to find the most successful "fit" between an event and its venue, in terms of the event's size, composition and proposed date.

The GRPG has capacity and capability parameters that may or may not fit the needs of existing events. For example, Tapestry Arts Festival and the Jazz Festival have developed their event components to fully use Downtown street locations or combined street/park venues. These events have unique profiles that would not translate well into a broad lawn area such as the expanded GRPG site. Tapestry Arts Festival uses adjacent Parkside Hall for its popular Design for Living home and garden show, which requires a large, secure indoor location. Both Tapestry Arts and the Jazz Festival offer multiple stages with simultaneous entertainment, since the buildings between each stage location provide necessary sound buffering.

Relocating an existing street event to the GRPG would change the event's fiscal structure, although each event's parameters would need to be analyzed to determine overall effect. For example, although park rental charges far exceed a street closure permit fee, traffic enforcement charges would most likely be reduced by moving to the GRPG.

As noted earlier, it is anticipated that event usage of GRPG will continue to increase. The large Immigration March and Rally, which took place on May 1 in San Jose, successfully utilized the new GRPG festival site. This new event site is expected to host an additional 34 events a year, generating over \$30,000 in park revenues.

/s/

ALBERT BALAGSO, Acting Director Parks, Recreation and Neighborhood Services /s/

PAUL KRUTKO, Director Office of Economic Development